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Latest Import Watch Newsletter Sees MPC Imports Increase
Surge In Milk Protein Concentrate, Casein Again Points Out Need For Tariff Bills
(NMPF News Release)

ARLINGTON, VA – Imports of Milk Protein Concentrate (MPC) have grown rapidly so far in 2003, and are approaching levels not seen since the year 2000, according to the latest issue of Import Watch, an economic analysis published quarterly by the National Milk Producers Federation.

The 2nd quarter ImportWatch contains data for the first half of 2003 covering a variety of dairy products and ingredients brought into the U.S. Of particular concern are those that have the potential to cause significant economic disruption to the domestic dairy market, such as MPC and cheese.

In the case of MPC, imports this year are up 39% from year-earlier levels, totaling 26,270 metric tons for all types of concentrated milk proteins labeled as "MPC." That compares to an import volume of less than 20,000 metrics tons for the same time period in 2001 and 2002. Meanwhile, casein imports have risen 17% in 2003 compared to 2002.

"The rapid growth in MPC imports this year again demonstrates the vulnerability of the U.S. dairy marketplace to products that have benefited from international trade loopholes for almost a decade. The unfettered access of MPC and casein to our market points out the need for both a drastic change in future World Trade Organization rules, and also the need for the U.S. Congress to pass legislation that will address these products," said Jerry Kozak, President and CEO of NMPF. Kozak will be part of a U.S. dairy delegation attending the upcoming round of WTO negotiations in Cancun, Mexico, later this week.

Kozak's mention of a legislative solution to growing dairy protein imports refers to legislation introduced in both the House and the Senate that would impose tariff rate quotas on imports of MPC and casein. The House bill, H.R. 1160, has 153 cosponsors, while the Senate version of the bill, S. 560, has 30. NMPF has been the leading advocate on Capitol Hill of the need to pass these bills, called the Milk Import Tariff Equity Act of 2003.

Kozak said that NMPF "will continue its efforts this fall to urge Congress to enact this legislation. The popularity of these bills means that the House and Senate cannot afford any longer to ignore the support that exists in both chambers for the MITEA bills," he said.

ImportWatch is published quarterly by NMPF, and is available on NMPF's website by clicking here: <http://www.nmpf.org/files/2Q.pdf>.

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